

# The Minnesota Advantage



## Our Robust Business Climate

- Minnesota ranked sixth in "America's Top States for Business" (2009 CNBC).
- Minnesota's the 10<sup>th</sup> best state for businesses (Forbes).
- Minneapolis-St. Paul was named one of the "top five metro areas in the country" (Site Selection magazine).
- Minneapolis was recognized by Entrepreneur Magazine for its support of emerging businesses as evidenced by its cluster of 1,300 high technology companies.
- Minnesota is second in Fortune 500 companies per capita and ninth overall with 19 Fortune 500 companies.
- Minnesota is 2nd in Forbes largest private companies per capita with nine Forbes largest private companies
- The Twin Cities ranks first in the number of S&P 500 companies per 100,000 residents and eighth among the 20 largest U.S. metropolitan areas.
- MarketWatch ranks Minneapolis-St. Paul fourth in "best cities for business."

## Our Renowned History of Education and Innovation

- Business Facilities in 2009 ranked Minnesota as the state with the most educated workers.
- Minnesota colleges and universities produced more than 16,000 science and engineering graduates in 2008.

- The state has 3.0 science and engineering graduates per 1,000 population compared to 2.6 for the country.
- Minnesota has ranked in the top 10 states in patent production for years, with numbers comparable or ahead of Washington, North Carolina, Oregon and other high tech states.
- The state employs more than 306,000 scientists and engineers.
- Minnesota is the birthplace of many global innovations: blood pumps, open heart surgery, pacemakers, Post-it Notes®, the supercomputer and many others.
- Minnesota colleges and universities graduate 55,000 students annually.
- Science Watch ranked the University of Minnesota one of its top 10 "highest impact universities."

## Our Targeted Incentives

- Tax exemptions
- Tax abatements
- Angel investor tax credits
- Single factor sales apportionment
- No property tax on personal property or inventory
- Business financing
- Workforce training grants
- Sales tax exemptions
- Research and development tax credit

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*Minnesota*  
THE PERFECT ENVIRONMENT FOR CLEAN TECH



"I worked in venture capital in Silicon Valley before returning to the Twin Cities because I believe Minnesota will be a center for clean tech. It's an extremely desirable place to do business."

— Doug Cameron, Alberti Advisors



# Minnesota's Clean Tech Vision

Long recognized for innovation and for high environmental standards, Minnesota is committed to helping clean tech companies grow in our state.

In fact, we already have a strong cluster of clean technology companies, representing all components of the value chain, and supported by more than 52,000 workers in renewable energy, green services and environmental conservation.

There are good reasons Minnesota is a haven for clean tech companies.

- **Collaborative Environment:** Organizations throughout our state work closely to align the right resources for each project. The state has created the Green Enterprise Assistance Program to help companies navigate agencies that offer financing, monitor environmental compliance and provide technical review.
- **Strong Ecosystem:** We are home to numerous internationally known financing institutions and law firms. The University of Minnesota has research centers for biopolymers, biofuels, and sustainable buildings, and its chemical engineering program is ranked first in the nation.
- **Supportive Public Policies:** The state has a strong renewable energy standard requiring at least 25 percent of our electricity to be generated from renewable sources by 2025. Research and development and angel investment tax credits provide additional encouragement for companies in our state.

These attributes, coupled with a skilled and highly educated workforce, a tradition of manufacturing and a vibrant business environment make Minnesota the right place to grow a clean tech company.



## Minnesota is ranked in the top five states for clean technology.

*Site Selection Magazine, July 2010*

### An Established Clean Tech Industry

The principles of clean technology are ingrained in Minnesota's culture. Xcel Energy, headquartered in Minneapolis, is a national leader in renewable energy and emerging smart grid technology. Our new Target Field is the "greenest" baseball facility in the nation and incorporates several Minnesota-made technologies to achieve this high environmental standard.

Minnesota-based companies make the state a national leader in next generation construction technologies, renewable materials, water filtration and purification, and renewable energy. It also has a growing clean transportation sector, with two **New Flyer** plants building diesel-electric buses and the world's first zero-emission hydrogen fuel cell fleet.

Home to **Andersen** and **Marvin**, two of the nation's largest window manufacturers, Minnesota also hosts the headquarters of **SAGE Electrochromics** and **Viracon Inc.**, both leaders in state-of-the-art windows for commercial buildings. **Econar** builds heat pumps for geothermal systems. **Honeywell Automation and Control Solutions** is a global giant in energy-efficient building management systems.

Companies such as **Ten K Solar** and **Solar Skies** are quickly establishing themselves in the solar industry. **Cargill's NatureWorks** and **Segetis** are developing groundbreaking products composed of biopolymers, or plant products.

**"Minnesota has an excellent culture of innovation and a great history of taking innovations to the market. That's why we're a leader in biofuels and wind, and that's why we have a track record, established by 3M and reinforced by Medtronic and other Fortune 500s, of turning startups into global powerhouses."**

*— Todd Taylor, attorney, Fredrikson & Byron, P.A.*

**Pentair Inc.** flow and filtration products can be found around the world. **Donaldson**, meanwhile, manufactures air and liquid filtration systems, and exhaust and emission control products. **Dow Water & Process Solutions** provides enabling component technologies to advance the science of water purification around the world, including seawater desalination, contaminant removal and water reuse.

### Manufacturing and Clean Tech Expertise

With 346,000 employees, Minnesota's manufacturing community is the largest in the Upper Midwest, contributing \$81 billion to the state's economy. Wind turbine components, hybrid buses, solar panels, energy saving windows, geothermal heat pumps and hundreds of other products related to the clean economy are built in our state.

Minnesota's clean technology ecosystem includes a large financial community with clean tech portfolios such as **Piper Jaffray** and other investor organizations, which coupled with nationally recognized intellectual property attorneys, make the state a superb location with a supportive environment for financing advice, and referral networks. The Minnesota Chapter of the **Clean Economy Network** is strong and growing with almost 1,000 members.

**"It makes good strategic sense for SAGE to expand in Minnesota. State and local officials understand the needs of our business and were very cooperative in helping us lay this foundation for our future."**

*— John Van Dine, CEO, SAGE Electrochromic*

### The Right Environment

With one of the nation's best educated workforces, a strong environmental ethic, and a landscape of farms, forests and vibrant cities, Minnesota offers clean tech companies a perfect laboratory for developing resource saving technologies and renewable power. The state's transportation infrastructure — ports, highways, railroads and international air service — can move products anywhere in the world. Minnesota's economic ecosystem is unparalleled — capable of nurturing tomorrow's clean technology entrepreneurs.